Intersect ENT Announces Positive Coverage Decision by CareFirst BlueCross BlueShield to Expand Access to PROPEL Steroid Releasing Implants to More Patients

Data Published in the Journal of Medical Economics *Demonstrates Value of the PROPEL Implant for Self-Insured Employers*

MENLO PARK, Calif.—Aug. 29, 2016--Intersect ENT, Inc. (Nasdaq:XENT), a company dedicated to improving the quality of life for patients with ear, nose and throat conditions, today announced that CareFirst BlueCross BlueShield, the regional blues provider for Maryland and the National Capital area, has issued a positive coverage decision for PROPEL® and PROPEL® mini steroid releasing sinus implants for use in patients following endoscopic sinus surgery.

CareFirst Blue Cross Blue Shield is the largest health care insurer in the Mid-Atlantic region, serving 3.2 million members across Maryland, the District of Columbia, and Northern Virginia, including more than 577,000 members in the Federal Employees Health Program (FEP) – the largest FEP enrollment in the nation. CareFirst is nationally recognized as a 'Best in Blue' insurer for providing stellar customer service for 16 consecutive years for D.C. FEP members.

"We are thrilled to add CareFirst to the growing list of payors who recognize the clinical and economic value of PROPEL and PROPEL mini in addressing the needs of chronic sinusitis patients," said Lisa Earnhardt, president and CEO, Intersect ENT. "This decision reflects continued positive momentum in obtaining favorable reimbursement for PROPEL."

Health Economics Data Demonstrate Payor Affordability of PROPEL

There are multiple published randomized controlled trials and single-arm studies documenting the clinical benefits of PROPEL and PROPEL mini, particularly demonstrating the reduction in need for medical and surgical intervention in both the ethmoid and frontal sinuses.[1,2,3] Additional health economic data is now available that further supports payor coverage determinations. A budget impact analysis demonstrating the affordability of the PROPEL implant for payors and self-funded employers published in the Journal of Medical Economics demonstrates the use of PROPEL following endoscopic sinus surgery procedures is expected to have a negligible impact on the healthcare budget of either a commercial payor or self-funded employer with 1.5 million covered beneficiaries.

The budget impact analysis methodology is of significant importance to employers since more than 60 percent of covered workers in the U.S. participate in a health care plan that is completely or partially funded by their employer.[4] Chronic sinusitis is one of the top 10 most costly conditions to U.S. employers, with a heavy societal productivity cost of more than $12 billion annually.[5]

"Today's health care environment demands solutions that optimize cost effectiveness," said John A. Rizzo, Ph.D., of the department of Preventive Medicine and department of Economics at Stony Brook University in Stony Brook, New York. "These data show that the upfront cost of PROPEL was offset by savings associated with reduced probability for polyp recurrence, adhesion formation, and their subsequent treatment."

About PROPEL and PROPEL mini
Intersect ENT's PROPEL and PROPEL mini are the first and only steroid-releasing sinus implants approved by the FDA to maintain the open passages created in surgery. The bioabsorbable products release mometasone furoate, an advanced steroid with anti-inflammatory properties, over time directly into the sinus lining, then fully dissolve. PROPEL's effectiveness is supported by the highest level of clinical evidence, Level 1a, which demonstrates that PROPEL reduces inflammation and scarring after surgery, thereby lessening the need for post-operative surgical interventions and use of oral steroids. Both PROPEL and PROPEL mini are indicated for use following ethmoid sinus surgery. Additionally, PROPEL mini is indicated for use following frontal sinus surgery.

About Intersect ENT
Intersect ENT, Inc. is dedicated to improving the quality of life for patients with ear, nose and throat conditions. The company markets two steroid releasing implants, PROPEL and PROPEL mini, which have been clinically proven to improve surgical outcomes for chronic sinusitis patients undergoing sinus surgery. In addition, Intersect ENT is developing a pipeline of steroid releasing implants designed to provide ENT physicians with options to treat patients across the continuum of care for chronic sinusitis less invasively and more cost effectively. Chronic sinusitis is an inflammatory condition that can lead to debilitating symptoms and chronic infections, and is one of the most costly conditions to U.S. employers.

For additional information on the company or the products including risks and benefits, please visit www.intersectENT.com.

Forward-Looking Statements
The statements in this press release regarding Intersect ENT's ability to obtain favorable coding and reimbursement results and the impact of PROPEL on healthcare budgets are "forward-looking" statements.

These forward-looking statements are based on Intersect ENT's current expectations and inherently involve significant risks and uncertainties. These statements include those related to the potential surgical outcomes for patients with chronic sinusitis and the potential benefits of the use of the company’s products. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of risks and uncertainties, which include, without limitation, the performance of PROPEL and PROPEL mini, the development of competitive products, the cost-effectiveness of the products and the degree and availability of governmental and private reimbursement of the products. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in Intersect ENT’s filings on Form 10-K, Form 10-Q and the company's other filings with the Securities and Exchange Commission (SEC) available at the SEC's Internet site (www.sec.gov). Intersect ENT does not undertake any obligation to update forward-looking statements and expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein.

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